COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of

MOTION TO ADJUST RATES IN)
ACCORDANCE WITH THE PURCHASED)
GAS ADJUSTMENT CLAUSE OF)
JOHNSON COUNTY GAS COMPANY)

ORDER

On October 29, 1981, the Commission issued its order in Case No. 8235 approving certain adjustments in rates and providing, under certain conditions, for the further adjustment of such rates when the wholesale cost of gas is increased or decreased.

On April 30, 1982, Johnson County Gas Company ("Johnson") notified the Commission that its wholesale cost of gas would be decreased by its supplier, Columbia Gas of Kentucky, Inc., ("Columbia") effective April 19, 1982, and submitted with its notice certain information in compliance with this Commission's order of October 29, 1981. The notice set out certain revisions in rates which Johnson proposed to place in effect, in compliance with its purchased gas adjustment clause on file with this Commission.

After reviewing this evidence of record and being advised, the Commission is of the opinion and finds that:

1. Johnson's supplier has filed revised rates and said rates will become effective on and after April 19, 1982.

2. Johnson has applied an adjustment for line loss in the amount of five percent. The five percent line loss adjustment is a proper adjustment and should be included in this purchased gas adjustment.

By allowing Johnson the adjustment for line loss the results will be an increase to the consumers in the amount of approximately \$25.81 annually.

3. Johnson's adjustment in rates under the purchased gas adjustment clause approved by the Commission in its order in Case No. 8235 dated October 29, 1981, is fair, just and reasonable, in the public interest and should be effective with gas supplied on and after April 19, 1982.

IT IS THEREFORE ORDERED that said purchased gas adjustment sought by Johnson and adjusted as aforesaid be and is hereby approved to be effective with gas supplied on and after April 19, 1982, as in Appendix A attached hereto and made a part hereof.

IT IS FURTHER ORDERED that for the purpose of the future application of the purchased gas adjustment clause of Johnson the base rate for purchased gas shall be:

Commodity

Columbia Gas of Kentucky, Inc. \$4.871 per Mcf

IT IS FURTHER ORDERED that the information furnished this Commission by Johnson on April 30, 1982, constitutes full compliance with the Commission's order in Case No. 8235 and any other information ordinarily required to be filed under the Commission's regulations is hereby waived.

IT IS FURTHER ORDERED that within 30 days after the date the decreased cost of wholesale gas becomes effective, Johnson shall file with this Commission its revised tariff sheets setting out the rates approved herein.

Done at Frankfort, Kentucky, this 14th day of May, 1982.

PUBLIC SERVICE COMMISSION

Chairman M. Volz

Vice Chairman

Commissioner

ATTEST:

Secretary

APPENDIX A

APPENDIX TO AN ORDER OF THE PUBLIC SERVICE COMMISSION IN CASE NO. 8235-E DATED MAY 14, 1982

The following rates are prescribed for the customers in the area served by Johnson County Gas Company, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the date of this order.

RATES:

Customer Charge

\$3.00 per Month

All Mcf

7.5263 per Mcf

Minimum charge is the customer charge.

For the purpose of the future application of the purchased gas adjustment clause of Johnson County Gas Company, the base rate for purchased gas shall be:

Columbia Gas of Kentucky, Inc. \$4.871 per Mcf

Kentucky-West Virginia Gas Company 1.7326 per Mcf